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**Japan**

**Strawberries**

**Annual**

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**Report Highlights:**

**Japanese imports of U.S. strawberries are expected to rise in 2000/01 to well over 4,000 tons, as the United States continues to enjoy sole supplier status in the summer and fall when product from competing suppliers is not in season. By contrast, U.S. frozen strawberry sales are expected to continue falling, as Japanese buyers continue to shift to cheaper product from China.**

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
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## Executive Summary

Continued growth in total fresh strawberry imports is expected in 2000/01, with sales forecast to reach 6,000 tons. U.S. berries are forecast to account for roughly 70 percent of the total, with good sales opportunities in summer and fall. Large-sized U.S. berries are preferred at retail, while stable demand for medium-sized product continues in Japan's confectionary sector for use as cake decorations. Meanwhile, low-cost imports from South Korea, which enter Japan in the winter months when U.S. product is not in season, are expected to continue rising rapidly, to well above 1,000 tons in 2000/01.

U.S. frozen strawberries have a good reputation for high quality among Japan's jam, yogurt and juice manufacturing sector. However, cheaper Chinese frozen strawberries continue to gain market share and China will likely replace the U.S. as the top supplier of frozen strawberries to Japan in 2000/01.

### U.S. Fresh Strawberries Continue to Sell Well at Japan's Supermarkets in Summer and Fall

Japan's extremely hot summer delayed this year's in-store promotions for U.S. fresh strawberries, but extensive promotions commenced in early October at many supermarkets and retail stores. Daiei, Japan's number two supermarket chain, will hold a week-long in-store sales promotion of California fresh strawberries in mid October nation wide. Tokyo's Peacock Supermarket and Isetan Department Store also plan to promote fresh California berries this month. Sales of U.S. fresh strawberries will continue until late November.

Retail shoppers prefer large-sized berries and these are the predominant fresh berry import from the United States. Well-Pict and Driscoll are the most visible brands. Currently, California fresh strawberries are traded at 6,800 - 7,100 yen (\$63.55 - \$66.35) for a 5-kilogram tray at Tokyo's Ohta Wholesale Market. At retail stores, approximately 15 large sized berries are packed in a 280-gram clam shell plastic container, and retailed at 498 yen (\$4.65.)

### Imports of Fresh Strawberries from South Korea Expected to Increase in 2001

Lately, South Korean shippers have significantly increased the fresh strawberry shipments to Japan and will continue to expand their shipments in 2001, according to Tokyo's traders. Sales are fueled by low prices on South Korean product, which arrive via surface shipment through the winter months and are priced at roughly \$5.00 per kilogram (CIF). Unlike U.S. berries, nearly all South Korean product is sold to Japan's confectionary industry as cake decorations.

### Japan's Imports of Chinese Frozen Strawberries Expected to Grow in 2001

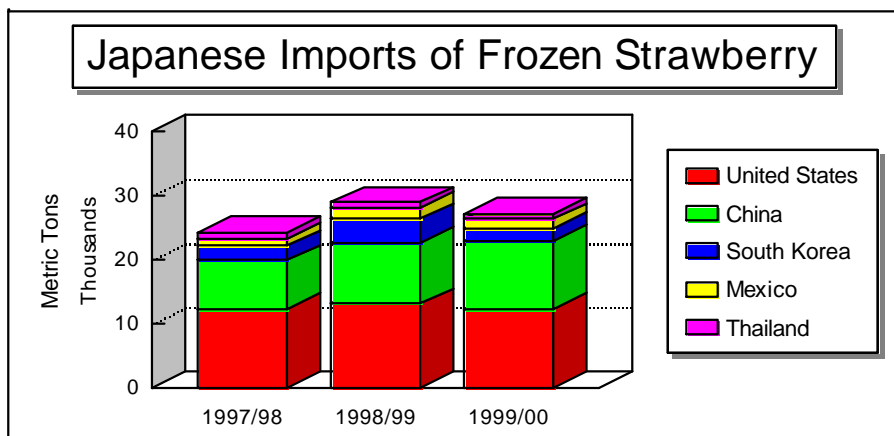
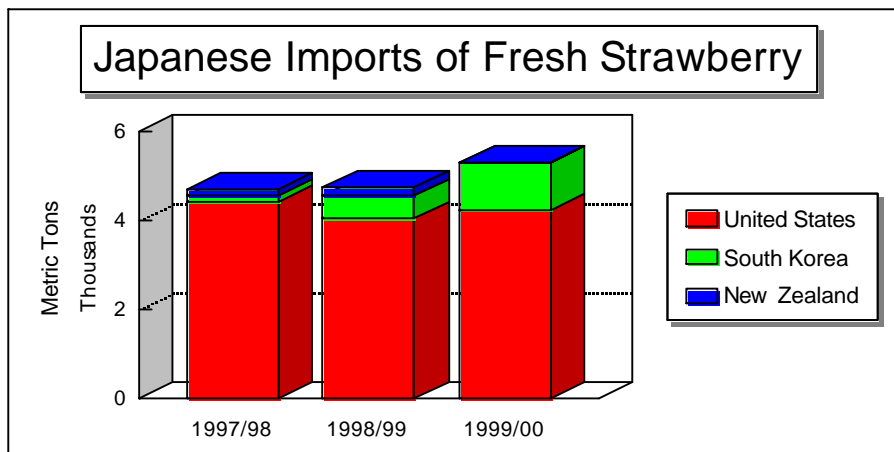
Chinese frozen strawberries are steadily expanding market share in Japan. Japan's food processors such as jam, yogurt and juice manufacturers report that improving quality on Chinese berries and competitive pricing are encouraging a shift away from U.S. product to Chinese supplies. Average import price of Chinese frozen strawberries was \$1.04 per kilogram on a CIF basis for the January - August 2000, roughly half the price of U.S. frozen berries at \$2.07 per kilogram. While U.S. frozen strawberries are well-recognized among Japanese processors as offering superior quality, buyers are shifting to lower-cost product due to growing price competition in Japan's processed food market.

**Import Duties for Strawberries Continue to Decline in 2000/01**

The applicable import duties are as follows:

TARIFF CODE (HS)	DESCRIPTION	DUTY RATES (%)	
		4/1/1999 - 3/31/2000	4/1/2000 - 3/31/2001
0810.10-000	Fresh Strawberry	6.7%	6.0%
0811.10-100	Frozen Strawberry Added Sugar	10.7%	9.6%
0811.10-200	Frozen Strawberry Other	13.3%	12.0%

All duties are charged on a CIF basis.



## PS&D Tables and Trade Matrices

### Fresh Strawberry PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Strawberries				(HA)(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		10/1998		10/1999		10/2000
Area Planted	7650	7540	7500	7450	0	7350
Area Harvested	7650	7540	7500	7450	0	7350
TOTAL Production	181100	203100	180000	185000	0	180000
Imports, Fresh	4721	4724	5000	5400	0	6000
TOTAL SUPPLY	185821	207824	185000	190400	0	186000
Exports, Fresh	0	0	0	0	0	0
Domestic Fresh Market	183521	205524	182700	188100	0	183700
For Processing	2300	2300	2300	2300	0	2300
TOTAL UTILIZATION	185821	207824	185000	190400	0	186000

**Frozen Strawberry PS&D Table**

PSD Table						
Country	Japan					
Commodity	Frozen Strawberries				(MT)	
	Revised	1998	Preliminary	1999	Forecast	2000
	Old	New	Old	New	Old	New
Market Year Begin		10/1998		10/1999		10/2000
Deliv. To Processors	2300	2300	2300	2300	0	2300
Beginning Stocks	0	0	0	0	0	0
Production	350	350	350	350	0	350
Imports	29932	29932	30000	28200	0	29000
TOTAL SUPPLY	30282	30282	30350	28550	0	29350
Exports	0	0	0	0	0	0
Domestic Consumption	30282	30282	30350	28550	0	29350
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	30282	30282	30350	28550	0	29350

**Fresh Strawberry Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Strawberries		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1998		1999
U.S.	4040	U.S.	4187
Others		Others	
Korean Rep.	512	Korean Rep.	1048
New Zealand	171	New Zealand	164
Total for Others	683		1212
Others not Listed	1		1
Grand Total	4724		5400

**Frozen Strawberry Import Trade Matrix**

Import Trade Matrix			
Country	Japan		
Commodity	Frozen Strawberries		
Time period	Oct. - Sept.	Units:	Metric Tons
Imports for:	1998		1999
U.S.	13028	U.S.	12289
Others		Others	
China	9530	China	10694
Korean Rep.	3731	Korean Rep.	1926
Mexico	1856	Mexico	1332
Thailand	744	Thailand	854
Chile	835	Chile	909
Poland	169	Poland	66
Total for Others	16865		15781
Others not Listed	39		130
Grand Total	29932		28200

**Fresh Strawberry Wholesale Price Table**

Prices Table			
Country	Japan		
Commodity	Fresh Strawberries		
Prices in	Yen	per uom	KG
Year	1999	2000	% Change
Jan	1417	1277	-9.88%
Feb	1110	1190	7.21%
Mar	944	1060	12.29%
Apr	882	896	1.59%
May	840	744	-11.43%
Jun	852	842	-1.17%
Jul	1501	1307	-12.92%
Aug	2383		-100.00%
Sep	2412		-100.00%
Oct	2498		-100.00%
Nov	2009		-100.00%
Dec	2098		-100.00%
Exchange Rate	106.96	Local currency/US \$	